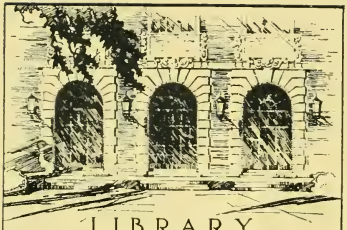

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THRIFT;

AN ADDRESS BY

CHARLES S. ROUNDELL, M.A.,

M.P. FOR GRANTHAM.

GRANTHAM:
PRINTED BY THOMAS LYNE, WESTGATE.
1880.

PREFACE.

This address, which was given at a meeting of the Grantham Church Temperance Society on the 26th of October last, is reprinted from the *Grantham Journal*, at the request of friends.

30*th December*, 1880.

THE ADDRESS.

Mr. Roundell, M.P., who was very cordially received, said: In common with most of my friends, I am suffering from a severe cold, and I must ask your kind indulgence, first of all, whilst I try to make my voice heard in the few remarks which I shall address to you; and also, I must ask you kindly to excuse me, if in a very short time I vacate the chair and go home. I was told, ladies and gentlemen, that the addresses with which the entertainment of to-night will be intermixed, were to be on the subjects of temperance and thrift. As I shall have another opportunity before long of speaking on the subject of temperance, I propose, with your permission, to address myself to-night to a few practical remarks on what I hold to be the cardinal virtue of thrift. It is enough for me to remind you, ladies and gentlemen, that we English are the most wasteful people on the face of the earth: therefore, every one who speaks on the subject of thrift is speaking in favour of what we must all desire to become a national virtue. I think you will agree with me that there is a close connection between thrift and temperance, for give me a thrifty man or woman—especially a young man or a young woman—who has formed the habit of saving, and depend upon it there will be no useless spending of money upon drink. Therefore the two subjects hang closely together. Now some people may say, "What is the use of talking to us about saving? It is all very well for

those who have spare cash to talk of laying by their pounds or five pounds, but what is the use of talking to poorer people, to young men or women of the working-class, on the subject of saving ?" Well, let me point out to you what a great thing a penny is. Look, first of all, at what a penny brings to the Chancellor of the Exchequer every year in income tax. A penny of income-tax amounts up in the year nearer to three millions than two millions of money. Then, again, consider how the revenue of the Post Office is almost entirely made up of pennies. I speak from memory, but if I remember right the revenue of the Post Office every year, gathered from pennies, amounts to something like four millions of money. Then, again, think what a mighty agency, in the last twenty years, the penny newspaper has been. In all these respects you will see how much can be made of a penny. Well, then, let me give you an instance on the other side. I have shown you what a penny well spent will amount to : let me show you what a penny not so well spent will amount to. We all know what vast sums are spent by the poorest of the people in their dealings with the pawnbrokers; but you may not be aware that as much as five millions of money is spent every year by the poorest of the poor in their small temporary borrowings from the pawnbroker, which I believe, in ninety-five cases out of a hundred, are redeemed. What it comes to, then, is this—that that five millions of money of our poor people, if it had been saved, instead of being spent, lost, thrown away, I may say, in dealings with the pawnbrokers, might have been put to their credit as the result of saving their pennies. There you have an instance of what a sum of money spent in pennies amounts to—five millions of pounds in the year. But it is not enough for me to speak about saving—about the import-

ance of saving and the habit of thrift—in this general way. You will not thank me unless I can put it before you in a much more practical fashion. You will perhaps say to me, "What is a penny? Is it of any use?" I am addressing myself to young men and women, many of whom I see before me—members of the working class: and they may say to me, "Of what use is it saving a penny? It is so small a sum." Well, I think I can show you to what good use a penny a week saved can be put. It is true it mounts up to but 4s. 4d. in the course of the year—a penny saved every week—but, then, by a very beneficial Act passed in the last session, the Post Office authorities at this present time are making an experiment with the view of enabling a young man or woman to save that penny to advantage, by enabling them to become depositors in the Post Office Savings' Bank. Most of you will probably be aware that the experiment is now being made by the authorities of the Post Office in several counties of the three kingdoms. I don't know whether Lincolnshire is one. ("It is not.") Then I hope it very soon will be.* (Hear, hear.) According to this experiment, a person can obtain from the Post Office a form adapted to hold twelve penny stamps: therefore, a young man or woman who wishes to begin this most admirable habit of saving, has nothing to do but to begin by putting away a penny a week, or according to this experiment he can affix a penny stamp to the Post Office form, and when there are twelve stamps that person can become a depositor in the Post Office Savings Bank—for, as you know, no depositor under a shilling will be accepted at one of the Post Office Savings' Banks. I say, then, speaking of saving in its lowest form, at the rate of a penny a week—a mere trifle

* It was extended to the United Kingdom on and from the 15th Nov., 1880.

which no one can miss—any young man or woman can begin this most admirable habit of saving, which, depend upon it, if persevered in, may be the making of their after lives. Well, but let me go a step further. A person who begins by saving a penny a week will very soon, when wages increase, without any more difficulty (having acquired the habit), be able to save sixpence or even a shilling a week. And now let me tell you what you can do if you lay by a shilling a week. I suppose a young man or young woman to begin the habit of putting by a shilling a week at the age of eighteen: every young man or young woman earning wages can do that. They don't marry for several years, perhaps; they are in receipt now of good wages, and they can put by that shilling without feeling it a loss. And how will that shilling make them better when they are grown up? I will tell you. If a young man goes on laying by that shilling a week, when he comes to be fifty-five years of age he will receive for the rest of his life a pension from the Post Office and the State of £21 a year. Under similar circumstances the pension payable to a woman would be £17 a year. This is because, as a rule, women live longer than men. There are no further contributions needed—he ceases to lay by when he reaches the age of fifty-five, when work becomes irksome to him, and for the rest of his life, as long as he lives, he is in receipt of £21 a year on the security of the State. In other words, he is receiving 8s. a week. So that the young man who begins this practice of laying by a shilling a week when he is eighteen years old, by the time he is fifty-five will receive for that shilling so laid by, upwards of a shilling for every day that he lives after fifty-five. I think that is a very practical instance of the immense advantage of beginning this good habit of saving when you are young. Perhaps you will allow me to give you one

more illustration of what saving in a little way amounts to, when it has been practised for a long time. What I am going to state is on the authority of my friend, Mr. Rathbone, who made the calculation two or three years ago. He took the case of a young joiner, who either made Monday a play-day or a working-day; and he set himself to calculate what would be the difference in the position of the young joiner, if instead of making Monday a play-day he made it a working day. If he laid by his earnings, he would receive for that one day—I think it will surprise you, as it certainly surprised me, to hear that his position would be this—By the time he was thirty years old, he would live in a house of his own; by the time he was sixty, in addition to having lived in a house of his own from the age of thirty, he would have the large sum of £1,200 in the Savings' Bank. That I give on the authority of Mr. Rathbone and I think it a very practical calculation. (Cheers.) It would be very easy to say—and I should not blame a young joiner for saying—"I will take holiday one-day in the week;" but when we have placed before us the immense difference it makes in the prosperity of that man's life, that he should have a house of his own at thirty and at the age of sixty the sum of £1,200, I say that one is simply amazed at the result. Well, now for one or two practical remarks which I would venture to address to the young people whom I have the pleasure of seeing before me. The first thing I would say to them is this. Pray remember, first of all, that it is not the amount you save, but the regularity of habit in saving. Regular pence are more valuable than irregular sovereigns. That is one cardinal maxim. When you set about it, don't think of the amount. If you can let it be a penny, or sixpence, or a shilling, or even more: but remember that the one thing of infinite importance to you, if

you wish to form this habit of saving, is to begin at once, if only with a penny. Then, again, the second maxim I would urge upon you is this—Don't wait to do it, but set about it at once. Far better to open your account at the Savings' Bank with a shilling this week, than to intend to open that account at the bank a month hence with a sovereign. (Cheers.) It reminds me of a shrewd saying, given by one of our great writers—That the person who dallies and delays about doing a thing is like the wood pigeon, which cries "Do, do," all day, and never does any work all his life. What I say to you is—don't, like the wood pigeon, be content with crying "Do, do;" but, whatever you do, begin to do it, and say nothing about it. (Cheers.) If you will do this, if you will follow these simple, plain rules, you may depend upon it that you will be surprised to find how soon your dirty coppers will turn into bright, golden sovereigns. Well, ladies and gentlemen, I have now endeavoured to put before you very briefly some of the cardinal advantages of saving, and I hope that I have also succeeded in putting them before you in a practical fashion. But before leaving the subject, I will venture to address myself for one moment to the managers of Schools—to those who are interested in the education of the children of this town. And this I would say to them—That, depend upon it, if you wish to inculcate this habit of saving early, which will lead to these great results, the best thing you can do will be to enable children to begin saving whilst they are at School, with their pennies. Let me remind you that there is machinery devised for this very purpose. Let me remind you of the penny bank which you can set up in any of your Schools—that all you have to do is for the managers to address themselves to the

Post-office authorities :* they will receive the proper forms from the Post-office, and two or three of their number (three, I think) will be accepted by the authorities as trustees, in whose names the small savings should be deposited in the Post Office Savings' Bank. Having done that, the aggregate of all the pennies, the small savings of the children, will be put from time to time into the Post Office Savings Bank, in the names of these trustees, who will be the managers of the School, or gentlemen or ladies interested in the education of the children; and then you will have gone far towards forming in the children that most invaluable habit, the advantages of which I have already endeavoured to set before you. Well, ladies and gentlemen, so much for the subject of thrift in this practical fashion. I began by coupling thrift with the kindred subject of temperance, and I will end my remarks in a similar way. I will set before you some very short but very striking figures. I take the year 1872, eight years ago—the year before the sad depression came upon us—when our trade was so prosperous. I cannot help referring to that, because we all must hope that though at the present time trade is bad, and agriculture depressed—and I deeply regret to think that the harvest in this county has not been so prosperous as in other parts of the country—still, we have good reason to look forward to a return of those brighter times which will give point to the figures I am about to set before you. In that last year of prosperity, the exports of this country amounted to the large sum of 315 millions: the imports of the country, in the same year amounted to the still larger sum of 355 millions—the

* In consequence of this suggestion, an association has been formed of the managers and teachers of the Elementary and Sunday Schools, for the establishment of School Penny Banks in connexion with the Grantham Savings Bank.

total of the combined value of imports and exports being in that year 670 millions of money. And now I will ask you if you can form even an approximate guess at the proportion of that vast sum of money which was spent by the working-classes of this country in drink! No less a sum than one hundred and thirty-one millions of money! That is to say, the sum spent upon drink, by the working-classes of this country, would amount to one-fifth part of the total value of the largest exports and imports the country had ever known In other words, taking every £5 which made up this aggregate of six hundred and seventy millions, £4 represented the value of the imports and exports of the country, and £1 represented the amount spent upon drink. With those striking figures, I commend this subject of thrift to your most careful attention, believing that (as I have already said) as we are the most wasteful people on earth it is especially needful to bring this subject before the notice of Englishmen. In those brighter times which we trust are about to dawn upon us, do let us hope that something more will be done by the working-classes of this country, whether in the way of their Friendly Societies, their Building Societies, or in laying up small savings in the Post Office Savings' Bank, towards remedying this frightful expenditure, which is so great a reproach to the nation at large. (Loud applause).

SCHOOL

PENNY BANKS:

AN ADDRESS BY

CHARLES S. ROUNDELL, M.A.,

M.P. FOR GRANTHAM.

GRANTHAM:
PRINTED BY THOMAS LYNE, WESTGATE.
1880.

PREFACE.

This address, which was given at the Guildhall, Grantham, on the 13th of December, is reprinted, by request, from the *Grantham Journal*.

30TH DECEMBER, 1880.

"It cannot, I venture to say, be too constantly borne in mind that self-help and self-reliance are the only sure guarantees for social, national, and, I may add, moral progress. Legislation, which encourages the people rather to rest upon State help than to rely upon themselves, however well-intentioned, will prove incalculably mischievous in the end; and to every measure which is brought forward with the object of improving the condition of the people, this simple test should be applied,—will it tend to encourage them to rely upon self-help?

. . . . . .

It is almost impossible to over-estimate the good which may result from so large a number having taken the first step on a path which, by the practice of thrift, is the direct way to lead them to independence. All this great addition to the saving classes will be secured entirely by an act of free-will on the part of the people themselves. For one, I would never willingly consent to see thrift compulsorily enforced. It has always been, and I hope it will always continue to be, a characteristic of our countrymen that they may be led, but they will not be driven. All schemes for promoting thrift should be spontaneous and self-supporting. Nothing, I think, could be more to be regretted than that any class should be encouraged to save at the public expense."—*Speech of the Postmaster-General at Hackney, 14th December*, 1880.

THE ADDRESS.

A public meeting in support of the Elementary and Sunday Schools' Penny Bank movement, recently inaugurated in Grantham, was held on Monday evening, December 13th, at the Guildhall, Mr. Roundell, M.P., having kindly promised to give an address on the subject. The hon. member (who was accompanied by Mrs. Roundell) was cordially received; and we only regret that it was not his good fortune to speak to a larger audience. The Mayor (Geo. Slater, Esq.), as president of the bank, occupied the chair, and made a brief reference to the movement, and the manner in which it is proposed to work it; also pointing out that it embraced every school in the town.

Mr. Charles Roundell, M.P., spoke as follows :—I think I may congratulate you upon the institution of this movement, which I understand has been started in the best possible manner, namely, by the co-operation of all the Schools in the town. I think that that is a most satisfactory circumstance; and I cannot help regarding it as one of the excellent results of that gathering together of persons of all religious denominations, which was so great an honour to this town, at the celebration of the Sunday School Centenary. (Applause). If, gentlemen, I were to seek for any text upon which to address you, I think I should probably be content to quote the words of one who

has said that "Improvidence and Intemperance are the twin destroyers of the peace of families, the order of society, and the stability of nations:" and Improvidence and Intemperance are but too often the result of indifference to the importance of a penny. On a recent occasion I stated it as an undoubted fact that in this country we have to do with one of the most wasteful people on the face of the earth; and at the same time we have to do—or, rather, I am glad to think we are on the verge of having to do—with a considerable increase in the prosperity of the working-classes of the country. I had the great satisfaction of hearing, at a meeting at which I was present in Lancashire the night before last, that the masters had agreed upon an increase of, I think, five per cent. in the wages of the weavers. (Applause). That announcement was received by the working-men of Clitheroe with the greatest enthusiasm. I regard it as a harbinger of the good times which I hope are about to dawn upon us. (Hear, hear). I was told as I entered the room just now that one reason of the small attendance here to-night was in consequence of several of the working people being at work for over-hours—for over-time—which, of course, means increased earnings. (Hear, hear). Well, then, gentlemen, I think it is important to observe, in connection with this wasteful habit of the people, that it arises in a great measure from the want in our working-people of the habit of foresight, of looking to the future, of providing for a rainy day. For the true remedy of that, we must look, I think, to the result of the progress of education, and to that which will follow upon better education in England—the mental discipline which teaches people that invaluable habit of looking forwards; the power of being able to see that an act of present self-denial not only yields present gratifi-

cation, but carries with it its own future great reward. Then, I would beg on the present occasion, particularly to make this further observation :—That it is undoubtedly true that any great movement for the social improvement of the people, generally speaking, must begin with the younger generation. That is the real reason that gives great importance to this movement which you have inaugurated in Grantham. We want to get hold of the younger generation. We want to teach the children of Grantham the invaluable habit of saving—of thrift—and then we feel that we shall have begun a great work; for if a man can only be got to see that it is his duty to lay by something, however small it may be, against a rainy day, you will agree with me that he has thereby acted upon a great principle—that he has thereby put himself in a position to do for himself better things, and that that one act will be, or may be to that man, the beginning of a new life. (Applause). I may illustrate what I have just been saying by quoting the story of the refractory sheep: how the shepherd tried his best to lure the sheep into the fold, but the sheep preferred to frisk and gambol with her lamb: then the shepherd bethought himself to take up the lamb—he carried the lamb into the fold, and instantly the dam followed. Then what follows is this: *Moral.* Get the children to lay by their pennies, and maybe the pennies and pounds of the parents will follow. (Applause). I think it is important, gentlemen, for us clearly to realise to ourselves the importance of this Penny Bank movement in connection with our Schools. The reason of it is that the existing Post-office Savings' Banks are not in a position to make themselves the collectors of pennies. On the one hand, it would involve the Government Department in too great expense; whilst on the other hand it has been admitted

for years that the very failure to do so has been a great obstacle to the success of the Post-office Savings' Banks—for, as you are aware, no deposit short of a shilling can be received at a Post-office Savings' Bank. That is the reason why such importance is to be attached to these Penny Banks in Schools. The Government has lately tried, as you are aware, to remedy that defect by the new system which was set on foot by Mr. Fawcett, the Postmaster-General, in September last (to which I shall presently refer), of providing forms for affixing thereto twelve penny postage stamps. What we are doing is what I believe you, gentlemen, will certainly consider a much more satisfactory method of meeting the difficulty. In fact, I would put it to you in this way:—I take it that the true position of this School Penny Bank with regard to the Savings' Bank, whether at the Post-office, or, as it will be in this town, the Trustee Savings' Bank, is that it stands in the same relation to that institution in which an Infant School stands to an Elementary School, or a Kinder-garten to a High School. In each case they are feeders. It is intended that your School Penny Bank shall be a feeder to the Grantham Savings' Bank. (Applause). It may interest you, perhaps, if, before I touch upon the very dry subject of the formalities necessary to the working of the School Penny Bank system, you will allow me for a few minutes to tell you what has been done in this direction in other countries: and I may say that I am indebted for that information to the kindness of my friend, the Postmaster-General, to whom I wrote, after my late address on Thrift in another place, to ask him to be good enough to send some of the official documents which I thought might be useful in connection with that subject. Amongst other documents, he was good enough to send me two articles which appeared

in the year 1878—one in the *British Quarterly Review*, and the other in *Cassell's Family Magazine*. To the latter article was appended the name of Mr. Edwin Hodder; and, judging from internal evidence, though the previous article was anonymous, I should suppose that Mr. Hodder was the writer of the other article also. Well, then, on his authority I can state to you that the Penny Bank system first took its rise in the year 1857 (twenty-three years ago) in the town of Greenock, and in the course of that year there were as many as five thousand depositors. Since then, the system has progressed rapidly in this country; bnt I am bound to tell you that in this respect we come behind France and notably Belgium. I find it stated that in France, where the movement is of recent origin, that nevertheless up to December, 1876, Penny Banks had been introduced into fifty-three out of eighty-two departments; that three thousand two hundred School Banks were established up to that time; and that no fewer than two hundred and thirty thousand scholars had deposited in excess of the total limit, and had transferred their accounts to the ordinary Savings' Banks. An interesting circumstance in connection with this great movement in France, and the still more remarkable movement in Belgium, which I am going to mention to you, is this—that in each case it has been due to the self-devotion and untiring efforts of one individual person. In the case of France, the apostle (as I may call him) of the movement was M. Auguste de Malarce: in Belgium, it was a gentleman belonging to Ghent—M. Laurent. Now I see that in Belgium the movement has been still more remarkable even than in France; for I find it stated that in the town of Ghent alone, out of 15,400 children in the schools no fewer than 13,000 were depositors in the School Penny Bank—(applause)—their

deposits amounted to the large sum of over £18,000—(applause)—which comes to an average of about 30s. a head. I think that is a most remarkable statement—13,000 children depositors out of 15,400, with an average of 30s. a piece! ("Hear, hear," and cheers.) The writer of this article speaks of the School Penny Bank movement in Belgium as an enthusiasm: and I find that the Government of the country have thought proper to offer prizes for the promotion of the movement. (Hear, hear.) They have done so in a remarkable way—namely, by offering prizes to elementary scholars for general proficiency, in the shape of a deposit book, with a small sum enclosed to the credit of the recipient. When I read that, it seemed to me such a practical and such a feasible way of giving an impetus to this most important movement, that I determined to ask permission of the general committee to be allowed to give similar prizes for general proficiency to a certain number of scholars in each of the schools of this town —(applause)—in the shape, that is to say, following the example of the Belgian Government, of deposit books, with a sum enclosed, by way of starting them or improving their position as depositors, as a reward for general good conduct. (Applause.) That proposition I shall beg to submit for your consideration, and that of the general committee: and if I have their sanction, I shall hope to put it into a definite form. (Applause.) Before I pass from this subject of the movement in Belgium, it will interest you, perhaps, if I mention that in that country bequests have been made (an instance is given in the article to which I refer) by some of the wealthier citizens for the encouragement of these Penny Banks in Schools. I find, also, that something of the same sort has been done in Italy. I find that Signor Sella, who, you may remember, was

Italian Minister of Finance some three or four years ago, established an association for the purpose of encouraging habits of thrift among the labouring class, the idea of which is to induce employers of labour to present to persons in their service wishing to become depositors a deposit book with a small sum enclosed—something, in fact, very similar to the practice of the Government of Belgium. I don't say that it is an example to be followed in this country, because I know that what may suit the Italians may not quite suit our more independent English working-men. Still, I mention it is an interesting fact. I will conclude my remarks upon this part of the subject by simply saying, without going into further details, as illustrating the great importance—the national importance, of this great movement which you are setting on foot, that persons from most foreign countries, and also from the United States of America, have been deputed to visit England, in order to obtain from our Post-office the necessary information for enabling them, or the Governments of their countries, to set on foot similar institutions, and that our system of Postal Banks is spreading in India, and in several of our most important Colonies. (Applause.) You see, therefore, that this very small movement which you are interesting yourselves about, is not only one of national but of cosmopolitan importance. (Applause.) I find that in Grantham you propose to avail yourselves, not of the Post-office Savings' Bank, but of your own Trustee Savings' Bank; and I readily acknowledge the wisdom of that course. It seems to me to be very much the same kind of thing as what you are doing in the matter of the Schools of your town. You have got, as I understand excellent Schools on the voluntary system, and you have not thought it necessary to place yourselves under the School

Board system. (Applause.) Without expressing for one moment an opinion upon that, I merely use it as an illustration. What I understand is, that having in the town an excellent Savings' Bank of your own on the trustee footing, you will be content with that—that you will place yourselves in connection with it; whilst, of course, there can be no impediment to those who prefer the Post-office Savings' Bank. In fact, you wish to place the management in the hands of those immediately connected with the Schools, the Masters and Mistresses, as well as the Superintendents of Sunday Schools: those persons who by virtue of their position are constantly in contact with the children, and most likely to influence them in the direction of habits of thrift. I must, in passing, be allowed to express my satisfaction in observing that the treasurer to the committee is the actuary of the Grantham Savings' Bank. Speaking from my own experience, as formerly connected with the Friendly Societies' Commission, and knowing the great importance of having these things conducted upon sound and solvent principles—I think it a very great thing that a gentleman in the position of actuary of the Savings' Bank of the town should be willing to place his services at your disposal. (Applause.) I am not aware, Mr. Mayor, how far it would be desirable for me now to touch briefly upon the formalities connected with this School Penny Bank system?* I have before me, however, some of the forms which I received from the Postmaster-General, and it will not be necessary for me to do more than call attention very briefly to the principal points connected with them. This little book which I hold in my

* What follows applies to the Banks in connexion with the *Post-office* Savings' Bank.

The Rules and Regulations applicable to the system established in the Schools at Grantham will be found set out in the appendix.

hand is the deposit book which is given to each child. I may say, lest I should forget it, that these little books are obtained on application from the Post-office, gratuitously—(applause)—that they are rightly given by the State for the encouragement of thrift in this direction. Also, I find it stated that the account books which will be required for conducting these Penny Banks—cash book and ledger—can be obtained from the same quarter, at a cost of 1s. 6d. for the two. So that everything is being done, it seems to me, on the part of the State, to enable this excellent movement to be carried out—the basis of which I need not say is the credit of the State. That is the security which these Penny Banks stand upon. Among other advantages, the Post-office furnishes a set of specimen rules for your guidance, which you are not bound to follow implicitly, but which have been found to work well in practice. These are the rules—First of all, that deposits of any amount not over a shilling may be made: that must be taken to mean at any one time, because I find afterwards that the maximum for each depositor is the sum of £5. The second rule states how the deposits shall be received: information is to be given to the children or their parents that deposits will be received at the School, or at such a place on such a day, and at such an hour. The third rule provides that the money shall be kept at the Savings' Bank, in the names of certain persons—trustees—or the treasurer. Then the third rule is (and this is an important one for parents) that money may be withdrawn at any time on giving one week's notice. It will perhaps be interesting just to mention that the time at which it is found that the largest number of withdrawals take place from these banks is, as you might expect, at Christmas and the public holidays; and on the other hand, Mr. Mayor, I am

glad to find that the month in which the largest number of deposits are made is January—the month in which you start your system. (Applause.) Then comes the fifth rule, which is a very important one. No person—that is, no child—is to be allowed to have in the Penny Bank at one time more than £5 in all; and there is a provision that as soon as the amount deposited reaches £1, the child will be assisted to open a separate account in his own name at the Savings' Bank. If he wishes, the child can make his subsequent payments direct to the Post-office Bank; but as no deposit of less than one shilling is received at a Post-office Bank, the child may continue to pay into the Penny Bank as before. The sixth rule provides that payments may only be made by children on the register of the School. Of course, that must be so; you must have some evidence of the title of the child to make these deposits. If the deposit book is lost, one penny will be charged for a new book. Those are the rules, gentlemen. Inside the book I see that there is a form for working out the system, the details of which I need not trouble you with just now; but I may mention that it refers to the facilities which will be given by the Post-office in the establishment of these Penny Banks—that the Post-office, on application by the trustees or committee, will not only furnish specimens of rules, as I have already stated, but will supply free of charge any number of these deposit books for the use of the children. I think I have now laid before you the principal rules relating to the formation of these School Penny Banks. The Mayor has just been good enough to place in my hand, what I had already seen—a copy of your own rules and regulations, which I think are, practically, very much of the character of those to which I have referred. (Hear, hear.) I should like to mention one

or two cognate subjects connected with this question before I sit down. Just now I referred to the difficulty which there was in working the Post-office Banks, in consequence of the necessary rule of not receiving deposits under one shilling; and you will remember that at the close of last session Mr. Fawcett announced his intention to try the experiment of issuing forms for holding twelve penny stamps, with the view of meeting that difficulty. I think it will interest you if I state shortly what the result of that experiment has been. It took effect on the 13th September last, and was applied to ten selected counties in the three kingdoms. When this system had been in operation for only seven weeks, the result was such that the Post-master-General determined to make the system universally applicable throughout the country. The figures were these :—In those seven weeks, more than fourteen thousand of these forms had been received, and no fewer than seven thousand new accounts had been opened in the Post-office Savings' Bank. (Applause.) That was the result of seven weeks' working of this experiment—(hear, hear) : but inasmuch as those ten counties represented a population less than one-tenth of the whole population of the country, the estimate was that if the experiment had been tried during that period throughout the three kingdoms, there would have been no fewer than seventy thousand new accounts opened in the Post-office Savings' Bank. (Applause.) Hence, it was determined by Mr. Fawcett that this system should have universal application, beginning on the 15th November last. I think that that is a very remarkable result of a novel and very wise experiment; and it should perhaps be also added that in not a single instance was the Post-office obliged to return one of the forms—in all these cases the stamps were found as fresh

almost as if they had just been placed there.* Now, before I pass from this subject, I should like to glance at what has been felt to be one objection to the system—namely, that it might lead to pilfering of postage stamps. It seems to me that that is a very valid objection, and my hope is that Mr. Fawcett will see his way to obviate it by ordering a peculiar stamp to be used for the purpose. (Hear, hear.) It seems to me that that would meet the objection, which is a very serious one. (Applause.) In connection with this subject, I desire also to direct your attention to another result of that excellent Act which was passed in the last session, for the amendment of the Savings' Banks Act—the new Act which enables people in this country to invest their savings in Government stocks. I attach the highest possible importance to that. By the Act of last session, a person is now enabled to invest, at any Post-office at which there is a Savings' Bank, small sums in the purchase of Consols, new three per cents., and so on, in Government stocks. He is not allowed to purchase less than £10 worth of stock; and he may not purchase more than £100 worth of stock in any one year; nor may the aggregate amount of Government stock held by the investor exceed the maximum amount of £300. There is a small charge which the Government makes for conducting the transaction—that is to say, for enabling the purchase of those small sums of Consols, which charge includes all expenses connected with the subsequent collection of dividends. Not to trouble you with figures, I find you may purchase between £75 and £100 worth of stock for 2s. 3d.—and that this sum covers the expense of the whole transaction.

* Mr. Fawcett, speaking at Hackney on the 14th of December, says:—"Short as has been the time, more than 83,500 of these forms, or more than a million stamps, have been received; while more than 58,000 new Savings' Banks accounts have been opened by means of these forms. How many of them, do you think, have been dirty or defaced? Not a single one of these forms has had to be returned. In scarcely a single instance have the forms been even soiled."

(Applause.) The dividends* will be carried to the credit of the investor in the Post-office Savings' Bank: and provision is made by the Act for enabling the investor, at a still smaller charge, to effect a sale of any part of his stock when he pleases. There is a further provision that any person who has invested £50 or more may on application at the Post-office obtain a stock certificate for £50, with any multiple of that sum. This certificate will have coupons for dividend annexed, payable to the bearer. That is a provision of very great importance. When once a poor man has bought to the amount of £50 Consols, he can obtain from the Post-office a stock certificate, with coupons for dividend annexed, which he preserves, and every half-year he has merely to take off one of these coupons, and present it at the Post-office, and he gets his interest on that amount of stock; and, of course, the certificate is his title-deed to that amount of Government stock. Well, the importance of that provision is to my mind very great. We know the difficulty there is in this country for the investment of the poor man's savings in a thoroughly sound way; and we know the difficulty there is in the way of the purchase of land in small plots, owing to the serious charges attendant upon our present system of land tenure—land law. And though Building Societies† (those admirable institutions, which you have used to a great extent in this town), have in a large measure met that

* On each £10 of Stock purchased, interest amounting to three shillings each half-year will be received for the investor by the Post-office free of all charge.

† A Return issued in October shows that in 1879 there were in England and Wales 946 Building Societies incorporated under the Acts of 1874 and 1875, having a membership in the 846 Societies in which the numbers were recorded of 320,076 persons. The total liabilities of the various Societies amounted to £31,192,000, of which £29,843,000 had been invested on Mortgage Securities. The Scotch had liabilities to the amount of £1,309,000, of which £1,164,000 was in Mortgage Securities; and the Irish Societies £878,000 of liabilities, with £856,000 in Mortgage Securities.

difficulty; yet, as I say, it is a very good thing that a working-man will now be able to invest his savings at this small cost in the stock of the Government of the country, which, of course, is absolute security, thereby giving him—looking at it from a national point of view—a stake in the prosperity and well-being of his country, and tending materially to encourage in our working-classes those habits of thrift which we see amongst the working-classes of France,* Belgium, and elsewhere, and which we are so anxious to inculcate amongst our own working-people. (Applause.) Now with one more remark, and with many apologies for the very dull address which I have inflicted upon you, I shall sit down. I referred just now to Building Societies, and as I know how Friendly Societies, a kindred form of institution, have got a hold in this town, I am anxious just to throw out an idea to those who are interested in Schools, as I ventured to do at the close of my last address, which I hope will be equally fruitful. It struck me much when a member of the Friendly Societies' Commission: and it is a suggestion made in an admirable little book, a manual for members of Friendly Societies, which will be known, I dare say, to many in this town. It was written by Mr. Hardwick, who was formerly Grand Master of the Manchester Unity of Odd Fellows. This remark struck me forcibly at the time I read it, many years ago, and I am very glad to be able to bring it to your notice to-night. What he says is this:—"The introduction into ordinary School arithmetics of

* In his speech at Hackney, Mr. Fawcett says:—"Hitherto investments which enjoy the advantage of State Security might really be regarded as the privilege of the few. The obstacles that were placed in the way of making small investments in the Funds were so serious that, whereas seven hundred and thirty millions, which represents our National Debt, is held by not more than 230,000 people, there are more than four million of the people of France who have invested in their Government Stocks."

a few rules, with experiments, referring to the assets and liabilities of Friendly Societies, would be a great advantage in many respects. It would ensure much more competent secretaries of Friendly Societies in future, and it would educate the mass of members in the groundwork of the science." Well, that means this :—I take it, gentlemen, that there are certain elementary figures and facts, technically called vital statistics —which is a very grand name, but it applies to those merely elementary facts, of which all of you, who are members of Friendly Societies, are well informed—relating to premiums upon insurance, and to making weekly payments with a view to future assistance in case of sickness, in case of death, in case of deferred annuities, and so on. Well, then, what Mr. Hardwick says is this—That it would be a very good thing if the managers, and masters and mistresses of our Schools would introduce in the ordinary School arithmetic a few practical sums, dealing with these elementary figures, relating to the groundwork of Friendly Societies: it would not only, as he says, go far towards informing future members of these Societies in reference to the principles upon which they are worked, but it would have the effect of making the more intelligent amongst them competent to act as secretaries, and thereby, depend upon it, go far to secure solvency in many of these Friendly Societies. (Applause.) Gentlemen, I thank you for the kind attention which you have given to me. I will sit down with this one remark—that as we commonly hear it said that Cleanliness comes next after Godliness, I venture to say that Thrift comes next after Godliness. (Applause.) It tends to the moral wellbeing of individuals: it will tend to the welfare of families, and ultimately to the welfare and stability of the country.

In the course of an interesting speech, Mr. Alderman Bell proposed a very cordial vote of thanks to the hon. Member, and referred in terms of high praise to his admirable address, which he believed would greatly tend to help forward this important movement. The proposition was seconded by the Rev. Father Sabela, and carried with acclamation.

In acknowledging the vote of thanks, Mr. Roundell said he really did feel proud of being member for a town which, in the course of one year, had distinguished itself by, first of all, the Sunday School Centenary gathering, and then by this most admirable movement—a moral and almost religious movement—in favour of inculcating habits of thrift among the rising generation of Grantham. He could assure them that when, a few weeks ago, after his last return from Grantham, he saw a paragraph in the *Journal* announcing that in consequence of the suggestion which he had been fortunate enough to make—(applause)—gentlemen and ladies connected with the different Schools of the town had met to organise an association for this purpose, he felt that, whatever he might have suffered from the attack of bronchitis which followed upon that effort, he was amply compensated. (Applause.)

APPENDIX.

Title.

PROSPECTUS OF THE GRANTHAM ELEMENTARY AND SUNDAY SCHOOL PENNY BANK.

General Committee. — The Clergy, and Ministers of all Denominations, Masters and Mistresses of Schools, and Superintendents of Sunday Schools.

Permanent Executive Committee. — The Masters and Mistresses of Schools, and Superintendents of Sunday Schools.

Secretary and Treasurer. — A General Secretary, and Treasurer, to be chosen by the Committee Annually.

Bank. — The Grantham Savings' Bank, Finkin Street. *(By kind permission of the Trustees and Managers.*

Branches. — All Elementary and Sunday Schools.

Managers. — The permanent Executive Committee, severally.

Assistants. — To be chosen by the Managers, to be not less than Six (6), or more than Twelve (12) in number, under the direction of the Manager.

Safe Deposit. — Balance of Cash in the hands of a Manager must be deposited as early as possible, in the Grantham Savings' Bank, on Government Security.

Correspondence. — All correspondence to be addressed to the General Secretary,

Audit. — Accounts audited half-yearly.

RULES AND REGULATIONS.

OF THE BANK.

Deposits, Transfers, and Interest.

I.—Deposits can be made from One Penny to Ten Shillings. No depositor shall have more than one Account. When the deposit amounts to Ten Shillings, it will be transferred to the Grantham Savings' Bank, in the name of the Depositor, and bear interest from date of transfer, subject to the rules and regulations of that Bank.

Withdrawals and Notice.

II.—No withdrawals can be made until the depositor has been a member of the Bank one month. The Manager of the Bank, or Branch, to which the Depositor belongs, will require one week's notice from the Depositor before a withdrawal can be made.

Inability of a Depositor to attend for a Withdrawal.

III.—In case the Depositor cannot personally attend, a form may be obtained from the Manager on which the request for a withdrawal must be made.

Responsibility of the Committee or Managers.

IV.—The Committee, or Managers, will not be responsible for false representation; they will exercise strict care and attention over their voluntary efforts, and request each member of the Bank to aid them in every way, conformable to their wishes.